

ND ASSOCIATION OF COUNTIES FUND  
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008

	June-08				March-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended 6/30/2008	5 Years Ended 6/30/2008
	Market Value	Allocation Actual	Quarter Policy Net ROR		Market Value	Allocation Actual	Quarter Policy Net ROR		Market Value	Allocation Actual	Quarter Policy Net ROR		Market Value	Allocation Actual	Quarter Policy Net ROR		Net	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																				
<i>Structured Growth</i>																				
Los Angeles Capital	50,157	4.5%	4.4%	4.70%	48,228	4.2%	4.4%	-10.92%	51,468	4.3%	4.4%	-1.51%	54,441	4.5%	4.4%	0.38%	-7.79%	21.84%	7.68%	N/A
<b>Total Structured Growth</b>	<b>50,157</b>	<b>4.5%</b>	<b>4.4%</b>	<b>4.70%</b>	<b>48,228</b>	<b>4.2%</b>	<b>4.4%</b>	<b>-10.92%</b>	<b>51,468</b>	<b>4.3%</b>	<b>4.4%</b>	<b>-1.51%</b>	<b>54,441</b>	<b>4.5%</b>	<b>4.4%</b>	<b>0.38%</b>	<b>-7.79%</b>	<b>21.84%</b>	<b>7.68%</b>	<b>9.56%</b>
Russell 1000 Growth				1.25%				-10.18%				-0.77%				4.21%	-5.96%	19.04%	5.91%	7.32%
<i>Structured Value</i>																				
LSV	44,216	3.9%	4.4%	-6.98%	47,800	4.2%	4.4%	-9.75%	50,348	4.2%	4.4%	-5.55%	53,076	4.3%	4.4%	-0.91%	-21.43%	23.77%	3.81%	11.57%
Russell 1000 Value				-5.31%				-8.72%				-5.80%				-0.24%	-18.78%	21.87%	3.53%	8.92%
<i>Russell 1000 Enhanced Index</i>																				
LA Capital	97,583	8.7%	8.9%	1.62%	96,678	8.5%	8.9%	-10.22%	102,375	8.5%	8.9%	-1.07%	108,381	8.9%	8.9%	0.24%	-9.54%	21.27%	6.97%	N/A
Russell 1000				-1.89%				-9.48%				-3.23%				1.98%	-12.36%	20.43%	4.81%	
<i>S&amp;P 500 Enhanced Index</i>																				
Westridge	98,922	8.8%	8.9%	-2.37%	109,620	9.6%	8.9%	-9.15%	114,737	9.5%	8.9%	-3.07%	120,114	9.8%	8.9%	2.15%	-12.18%	21.12%	4.98%	N/A
S&P 500				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	
<i>Index</i>																				
State Street	32,283			-2.27%	35,741			-10.68%	31,144			-5.72%	32,913			-0.66%	-18.24%	21.82%	2.93%	6.64%
<b>Total 130/30</b>	<b>32,283</b>	<b>2.9%</b>	<b>3.0%</b>	<b>-2.27%</b>	<b>35,741</b>	<b>3.1%</b>	<b>3.0%</b>	<b>-10.68%</b>	<b>31,144</b>	<b>2.6%</b>	<b>3.0%</b>	<b>-5.72%</b>	<b>32,913</b>	<b>2.7%</b>	<b>3.0%</b>	<b>-0.66%</b>	<b>-18.24%</b>	<b>21.82%</b>	<b>2.93%</b>	<b>6.64%</b>
S&P 500				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	7.59%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>323,161</b>	<b>28.7%</b>	<b>29.7%</b>	<b>-0.84%</b>	<b>338,066</b>	<b>29.6%</b>	<b>29.7%</b>	<b>-9.95%</b>	<b>350,071</b>	<b>29.1%</b>	<b>29.7%</b>	<b>-2.85%</b>	<b>368,926</b>	<b>30.2%</b>	<b>29.7%</b>	<b>0.62%</b>	<b>-12.71%</b>	<b>21.86%</b>	<b>5.68%</b>	<b>9.31%</b>
S&P 500				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	7.59%
<b>SMALL CAP DOMESTIC EQUITY</b>																				
<i>Manager-of-Managers</i>																				
SEI	65,217	5.8%	6.0%	-0.80%	69,905	6.1%	6.0%	-11.52%	70,620	5.9%	6.0%	-6.42%	73,016	6.0%	6.0%	-3.74%	-20.93%	18.39%	2.06%	9.10%
Russell 2000 + 200bp				1.09%				-9.43%				-4.09%				-2.60%	-14.48%	18.76%	5.88%	12.50%
<i>Enhanced</i>																				
Research Affiliates	63,704	5.7%	6.0%	-2.98%	69,752	6.1%	6.0%	-6.82%	66,930	5.6%	6.0%	-7.07%	69,617	5.7%	6.0%	N/A	N/A	N/A	N/A	N/A
Russell 2000				0.58%				-9.90%				-4.58%				-3.09%	-16.19%			
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>128,921</b>	<b>11.5%</b>	<b>12.1%</b>	<b>-1.89%</b>	<b>139,657</b>	<b>12.2%</b>	<b>12.1%</b>	<b>-9.24%</b>	<b>137,549</b>	<b>11.4%</b>	<b>12.1%</b>	<b>-6.74%</b>	<b>142,633</b>	<b>11.7%</b>	<b>12.1%</b>	<b>-5.05%</b>	<b>-21.14%</b>	<b>18.39%</b>	<b>1.97%</b>	<b>9.04%</b>
Russell 2000				0.58%				-9.90%				-4.58%				-3.09%	-16.19%	16.44%	3.79%	10.29%
<b>INTERNATIONAL EQUITY</b>																				
<i>Large Cap - Active</i>																				
Capital Guardian	58,733	5.2%	5.3%	-0.95%	61,913	5.4%	5.3%	-10.94%	63,561	5.3%	5.3%	-1.24%	64,604	5.3%	5.3%	0.59%	-12.37%	25.99%	12.24%	14.35%
LSV	56,613	5.0%	5.3%	-5.76%	58,354	5.1%	5.3%	-12.88%	61,113	5.1%	5.3%	-6.42%	65,582	5.4%	5.3%	-3.40%	-25.78%	31.24%	7.37%	N/A
<b>Total Large Cap - Active</b>	<b>115,346</b>	<b>10.3%</b>	<b>10.6%</b>	<b>-3.33%</b>	<b>120,267</b>	<b>10.5%</b>	<b>10.6%</b>	<b>-11.89%</b>	<b>124,674</b>	<b>10.4%</b>	<b>10.6%</b>	<b>-3.83%</b>	<b>130,185</b>	<b>10.7%</b>	<b>10.6%</b>	<b>-1.46%</b>	<b>-19.29%</b>	<b>28.57%</b>	<b>9.83%</b>	<b>13.46%</b>
MSCI EAFE - 50% Hedged				-1.47%				-12.04%				-2.19%				0.11%	-15.14%	26.94%	10.93%	14.67%
<i>Small Cap - Value</i>																				
DFA	13,704	1.2%	1.3%	-5.15%	15,111	1.3%	1.3%	-3.63%	15,113	1.3%	1.3%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lazard	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	15,932	1.3%	1.3%	-3.92%	N/A	21.03%	N/A	N/A
<b>Total Small Cap Value</b>	<b>13,704</b>	<b>1.2%</b>	<b>1.3%</b>	<b>-5.15%</b>	<b>15,111</b>	<b>1.3%</b>	<b>1.3%</b>	<b>-3.63%</b>	<b>15,113</b>	<b>1.3%</b>	<b>1.3%</b>	<b>-0.64%</b>	<b>15,932</b>	<b>1.3%</b>	<b>1.3%</b>	<b>-3.92%</b>	<b>-12.74%</b>	<b>21.03%</b>	<b>9.30%</b>	<b>17.27%</b>
S&P/Citigroup Broad Market Index < \$2BN				-6.52%				-14.70%				-5.94%				-0.66%	-25.49%	28.58%	7.39%	17.33%
<i>Small Cap - Growth</i>																				
Vanguard	13,527	1.2%	1.3%	-3.90%	14,721	1.3%	1.3%	-8.40%	15,470	1.3%	1.3%	-4.89%	15,591	1.3%	1.3%	-1.48%	-17.52%	31.00%	11.77%	20.18%
Citigroup Broad Market Index < \$2BN				-6.52%				-14.70%				-5.94%				-0.66%	-25.49%	28.58%	7.39%	17.33%
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>142,576</b>	<b>12.7%</b>	<b>13.3%</b>	<b>-3.60%</b>	<b>150,099</b>	<b>13.2%</b>	<b>13.3%</b>	<b>-10.77%</b>	<b>155,257</b>	<b>12.9%</b>	<b>13.3%</b>	<b>-3.99%</b>	<b>161,709</b>	<b>13.2%</b>	<b>13.3%</b>	<b>-1.72%</b>	<b>-18.83%</b>	<b>28.02%</b>	<b>9.79%</b>	<b>14.56%</b>
MSCI EAFE - 50% Hedged				-1.47%				-12.04%				-2.19%				0.11%	-15.14%	26.94%	10.93%	14.67%
<b>DOMESTIC FIXED INCOME</b>																				
<i>Core Bond</i>																				
Western Asset	141,443	12.6%	12.4%	-0.39%	134,389	11.8%	12.4%	-1.03%	149,800	12.4%	12.4%	1.63%	146,990	12.0%	12.4%	1.87%	2.06%	7.29%	2.76%	3.55%
Lehman Aggregate				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%	4.09%	3.86%
<i>Mortgage Backed</i>																				
Hyperion	32,724	2.9%	3.2%	-10.59%	34,372	3.0%	3.2%	-8.07%	40,070	3.3%	3.2%	-1.11%	40,007	3.3%	3.2%	-1.88%	-20.24%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				-1.34%				4.18%				3.15%				3.88%	10.14%			
<i>Core Plus/Enhanced</i>																				
Clifton Group	41,227	3.7%	3.2%	-1.15%	40,493	3.5%	3.2%	3.34%	43,669	3.6%	3.2%	3.64%	41,501	3.4%	3.2%	4.06%	10.17%	5.52%	N/A	N/A
Prudential	41,693	3.7%	3.2%	-0.50%	39,395	3.5%	3.2%	0.95%	41,870	3.5%	3.2%	2.45%	40,399	3.3%	3.2%	1.94%	4.89%	N/A	N/A	N/A
<b>Total Core Plus/Enhanced</b>	<b>82,920</b>	<b>7.4%</b>	<b>6.4%</b>	<b>-0.83%</b>	<b>79,888</b>	<b>7.0%</b>	<b>6.4%</b>	<b>2.17%</b>	<b>85,540</b>	<b>7.1%</b>	<b>6.4%</b>	<b>3.05%</b>	<b>81,900</b>	<b>6.7%</b>	<b>6.4%</b>	<b>3.00%</b>	<b>7.55%</b>	<b>5.95%</b>	<b>N/A</b>	<b>N/A</b>
Lehman Aggregate				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%		

**ND ASSOCIATION OF COUNTIES FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008**

	June-08				March-08				December-07				September-07				Current	Prior Year	3 Years	5 Years
	Allocation		Quarter		Allocation		Quarter		Allocation		Quarter		Allocation		Quarter		FYTD	FY07	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	6/30/2008	6/30/2008
<b>Index</b>																				
<b>Bank of ND</b>	71,284	6.3%	5.6%	-1.53%	69,303	6.1%	5.6%	2.94%	74,937	6.2%	5.6%	3.05%	73,170	6.0%	5.6%	3.10%	7.68%	5.45%	3.93%	3.28%
<i>Lehman Gov/Credit (1)</i>				-1.51%				2.53%				3.10%				3.01%	7.24%	6.00%	3.84%	3.24%
<b>BBB Average Quality</b>																				
<b>Wells Capital (formerly Strong)</b>	142,940	12.7%	12.4%	-0.31%	136,911	12.0%	12.4%	0.37%	148,508	12.3%	12.4%	1.98%	145,040	11.9%	12.4%	1.48%	3.55%	7.93%	3.04%	3.85%
<i>Lehman US Credit BAA</i>				0.11%				-1.05%				1.90%				1.67%	2.62%	7.54%	2.52%	3.59%
<b>TOTAL DOMESTIC FIXED INCOME</b>	471,310	41.9%	40.0%	-1.39%	454,862	39.9%	40.0%	-0.04%	498,855	41.4%	40.0%	1.96%	487,107	39.9%	40.0%	1.80%	2.32%	7.11%	3.89%	5.04%
<i>Lehman Aggregate (2)</i>				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%	4.09%	3.73%
<b>CASH EQUIVALENTS</b>																				
<b>Bank of ND</b>	58,780	5.2%	5.0%	0.49%	58,018	5.1%	5.0%	0.70%	62,178	5.2%	5.0%	0.96%	61,434	5.0%	5.0%	1.24%	3.43%	5.36%	4.10%	3.38%
<i>90 Day T-Bill</i>				0.31%				0.88%				1.05%				1.34%	3.63%	5.21%	4.27%	3.18%
<b>TOTAL NDACo FUND</b>	1,124,748	100.0%	100.0%	-1.36%	1,140,702	100.0%	100.0%	-5.32%	1,203,910	100.0%	100.0%	-1.34%	1,221,809	100.0%	100.0%	0.07%	-7.78%	15.46%	4.24%	6.42%
<b>POLICY TARGET BENCHMARK</b>				-1.19%				-4.76%				-0.56%				1.48%	-5.04%	14.21%	4.76%	6.34%

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.